

4 FAH-3 H-670 MONITORING

(TL:FMP-13; 09-06-2002)

4 FAH-3 H-671 GENERAL

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- a. Bureau monitoring seeks to ensure that the recipient is using the funds for the intended purpose, is charging appropriate costs at appropriate times, and is meeting any goals that were articulated in the financial assistance agreement. Grant and program officials involved in all types of financial assistance awards shall monitor recipient performance and compliance against the elements that make up the agreement as listed below:
- (1) The award application as funded;
 - (2) Program requirements contained in the authorizing statute;
 - (3) Program regulations (or program guidelines, if incorporated into the award);
 - (4) Administrative regulations;
 - (5) Public policy requirements (such as drug-free workplace, protection of human subjects, and animal welfare); and
 - (6) Special terms and conditions, if any.
- b. Monitoring techniques include reports, as well as interaction with the recipient through meetings, site visits, telephone calls, written correspondence, or audits, and should be used for all assistance agreements at the discretion of the awarding bureau. Program and financial reports are required for grants and cooperative agreements under OMB Circular A-110, OMB Circular A-102, and FAR 31.2, and are set forth in the following sections. The Department strongly recommends that the awarding bureaus consider incorporating the program monitoring, financial report monitoring, delinquent reports, and OMB Circular A-133 audit requirements for all assistance agreements, where possible.

4 FAH-3 H-672 PROGRAM MONITORING

(TL:FMP-13; 09-06-2002)

- a. Performance reports shall not be required more frequently than quarterly, or less frequently than annually. Annual reports shall be due 90 calendar days after the grant year; quarterly or semi-annual reports shall be due 30 days after the reporting period.
- b. The final performance reports shall be due 90 calendar days after the expiration or termination of the award. If inappropriate, a final performance report shall not be required after completion of the project.
- c. Performance reports shall generally contain brief award information on each of the following:
 - (1) A comparison of actual accomplishments with the goals and objectives established;
 - (2) Reasons why established goals were not met; and
 - (3) Other pertinent information, including when appropriate, analysis and explanation of cost overruns or high unit costs.
- d. The bureau may make site visits, as needed.

4 FAH-3 H-673 FINANCIAL REPORT MONITORING

(TLL:FMP-13; 09-06-2002)

- a. Each recipient shall use Form SF-269, Financial Status Report (Long Form), or Form SF-269-A, Financial Status Report (Short Form), to report the status of funds for all non-construction projects or programs. The report shall not be required more frequently than quarterly or less frequently than annually. A final report shall be required at the completion of the agreement. Annual reports shall be due 90 calendar days after the grant year; quarterly, semi-annual or annual reports shall be due 30 days after the reporting period.
- b. Financial reports will be reviewed by the program officer and the grants officer for compliance with the terms and conditions of the assistance agreement. The review will include, but is not limited to, the following:
 - (1) Ensuring that all costs are incurred and reported within the authorized grant period;

- (2) Ensuring costs incurred are in accordance with the authorized items of expenditures as stipulated in the assistance agreement;
 - (3) Ensuring all calculations are accurate; and
 - (4) Ensuring that reallocations are within the allowable limitations as set forth in the assistance agreement.
- c. Under the designation of “high risk”, special conditions and restrictions may be imposed on the recipient in order to mitigate or eliminate the management deficiencies including but limited to monthly financial status reports. The grant technical officer and program officer will work with the recipient to resolve any discrepancies.

4 FAH-3 H-674 DELINQUENT REPORTS

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When a financial assistance recipient has been determined to be delinquent in filing reports, the program office shall send a letter reminding the recipient of delinquent reports. After 30 days, if the recipient has not responded the bureau will send a second notice letter. If after an additional 30 days the recipient has not responded, the bureau will send a third and final notice letter. After the third notice has been sent, the bureau will suspend all payments until such time as the overdue reports are filed. If the grantee is paid through PMS, the bureau will contact HHS and request that all payments are held.

4 FAH-3 H-675 OMB CIRCULAR A-133 AUDITS

(TL:FMP-13; 09-06-2002)

- a. The Federal Audit Clearinghouse shall distribute the reporting packages received to each Federal Awarding Agency when there are audit findings relating to Federal awards made by that agency. The Federal Audit Clearinghouse will send all Department of State audit reports with findings to the Department of State, Office of Inspector General. The Office of Inspector General shall receive and distribute single audit reports with findings to the applicable grants officers and the Office of Grants Financial Management within RM.
- b. The grants officer shall receive and review all reports with audit findings. All audit reports with findings should be resolved within six months in

accordance with OMB A-133, Subpart D, Section .400(c). The grant officer will be responsible for resolving any financial discrepancies related to, but not limited to, allowable costs, cash management, period of availability of Federal funds, and program income.

- c. The grants officer shall ensure that the audits required under the Single Audit Act, as stated in OMB Circular A-133, are completed and reports are submitted to the Federal Audit Clearinghouse (FAC) in a timely manner. The grants officer shall use the Federal Audit Clearinghouse website “www.harvester.census.gov” to determine this information. This can be done by entering the name or EIN number of the grant recipient for the query “Search the Single Audit Database”. This search will provide all audits for the EIN number or name entered along with the fiscal year-end date, the status of the audit, the address and the date received. The grants officer can review the FAC form by clicking on the selected listing. The form will include the following categories of information: general, auditee, auditor, financial statement, and Federal program. The Federal program information includes the opinion issued, any findings required to be reported and which Federal agencies are required to receive the reporting package. The grant officer can use this to determine whether there has been a single audit covering the period of their award, and if so, whether there were findings related to their particular award.

4 FAH-3 H-676 THROUGH H-679 UNASSIGNED